

Message Text

LIMITED OFFICIAL USE

PAGE 01 ISLAMA 07087 290722Z

10

ACTION AID-59

INFO OCT-01 NEA-10 ADP-00 SS-15 NSC-10 L-03 EB-11 IGA-02

CIEP-02 FRB-02 CIAE-00 INR-10 NSAE-00 RSC-01 OMB-01

TRSE-00 XMB-07 SSO-00 NSCE-00 RSR-01 INRE-00 /135 W

----- 080838

O 290652Z AUG 73

FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC IMMEDIATE 721

LIMITED OFFICIAL USE ISLAMABAD 7087

E.O. 11652: N/A

TAGS: EFIN PK

SUBJ: PAKISTAN DEBT

REF: (A) ISLAMABAD 6922 (B) STATE 166438

1. BEFORE DEPARTURE FROM THE US, AID DIRECTOR DISCUSSED WITH MACDONALD AND LANGMAID RECENT GOP AIDE MEMOIRE ON DEBT AND THE PROBLEMS IT WAS CREATING. AFTER HIS RETURN HE DISCUSSED THIS QUESTION WITH BOTH SECRETARY-GENERAL FINANCE AND ECONOMIC DEVELOPMENT KAZI AND NEW SECRETARY EAD AFTAB AHMED KHAN. NEITHER WERE UP-TO-DATE SINCE DEBT NEGOTIATIONS HAD BEEN HANDLED BY QAMARUL ISLAM.

2. IN A TELECON AUGUST 29 WITH DR. MOIN BAQAI (WHO IS BEING RE-ASSIGNED TO EAD), BAQAI INDICATED THAT GOP INTENTION WAS NOT TO IN ANY WAY UPSET US AGENCIES BUT RATHER SIMPLY TO GIVE US AN OPPORTUNITY TO BE MORE GENEROUS IN RESCHEDULING THAN CALLED FOR IN THE AGREED CONSORTIUM MINUTE. AID DIRECTOR INDICATED THAT AGREED CONSORTIUM MINUTE WAS IN ITSELF A MAJOR CONCESSION BY THE US AND THAT IT WOULD BE EXTREMELY DIFFICULT TO GO BEYOND IT. HE SUGGESTED THAT THE APPROPRIATE SUBJECT FOR FURTHER NEGOTIATION WOULD CENTER ON LONG-TERM DEBT QUESTIONS NOW UNDER STUDY

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ISLAMA 07087 290722Z

BY CONSORTIUM.

3. BAQAI CLEARLY WANTS TO AVOID HURTING PAKISTAN'S POSITION WITH US AGENCIES AND AGREED IN PRINCIPLE THAT THE NEXT STEP WOULD BE FOR THE GOP TO RESUME PAYMENTS ON NON-AID LOANS.

4. AID DIRECTOR MEETING WITH BAQAI AUGUST 30. WOULD APPRECIATE ANY SPECIFIC INSTRUCTIONS BY IMMEDIATE CABLE. FYI: IN THIS CONNECTION BAQAI, WHO IS HANDLING DEBT NEGOTIATIONS FOR GOP, SAID THAT HE WAS NOT AWARE OF ANY COMMUNICATION FROM PAKISTAN EMBASSY WASHINGTON SUBSEQUENT TO DISCUSSIONS WHICH MAY HAVE BEEN HELD WITH EMBASSY THERE. THERE ARE OBVIOUS COMMUNICATIONS PROBLEMS WITHIN GOP, PROBABLY CAUSED BY RECENT PERSONNEL SHIFTS.

DECON 8/28/74

SOBER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT DEBTS, DEBT REPAYMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973ISLAMA07087
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: ISLAMABAD
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973089/aaaaagbv.tel
Line Count: 77
Locator: TEXT ON-LINE
Office: ACTION AID
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) ISLAMABAD 6922 (B) STATE 166438
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 04 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04-Jan-2002 by boyleja>; APPROVED <18-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PAKISTAN DEBT
TAGS: EFIN, PK, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005